

**BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH**

<p>NOTICE OF AGENCY ACTION FOR AN ORDER FORFEITING A SURETY BOND PROVIDED BY PATMOS ENERGY, LLC AND AUTHORIZING THE DIVISION TO PLUG AND RECLAIM THREE WELLS LOCATED IN SECTIONS 7 AND 17, TOWNSHIP 14 SOUTH, RANGE 14 EAST AND IN SECTION 14, TOWNSHIP 15 SOUTH, RANGE 14 EAST, IN CARBON COUNTY, UTAH</p>	<p style="text-align:center">NOTICE OF HEARING</p> <p style="text-align:center">Docket No. 2016-016 Cause No. 222-17</p>
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THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE FOLLOWING MATTER.

Notice is hereby given that the Board of Oil, Gas and Mining (“Board”), State of Utah, will conduct a hearing on WEDNESDAY, JULY 27, 2016, at 10:00 AM, or as soon thereafter as possible, in the auditorium of the Department of Natural Resources, 1594 West North Temple, Salt Lake City, Utah. The hearing will be streamed live on the Department of Natural Resources YouTube channel at <https://youtu.be/C-5JVINyuX4>.

The hearing will be conducted as a formal administrative adjudication in accordance with the rules of the Board as set forth in Utah Administrative Code R641 et seq., and as provided for in Utah Code Ann. § 40-6-1 et seq., and Utah Code Ann. § 63G-4-101 through 601.

The purpose of the hearing will be for the Board to receive testimony and evidence regarding a Notice of Agency Action filed by the Utah Division of Oil, Gas and Mining (the “Division”) that the Board take the following actions:

1. Find that the CBM 1 well, located in Section 17, Township 14 South, Range 14 East, the CBM State 22-14 well, located in Section 14, Township 15 South, Range 14 East, and the Penta Creek 23-7 well, located in Section 7, Township 14 South, Range 14 East, all in Carbon County, (the “Subject Wells”) have been shut-in beyond the time permitted by the Rules, and that Patmos has failed to plug and abandon the Subject Wells as required by Utah Administrative Code R649-3-36;

2. Order Patmos’s interest in the \$120,000 blanket bond be forfeit to the Division and order RLI Insurance Company to deliver the full amount to the Division;

3. Authorize the Division to use the forfeited funds to complete the plugging and restoration of the Subject Wells as permitted by R649-3-1.16; and

5. Grant such other and further relief as may be just and equitable under the circumstances.

Objections to the Notice of Agency Action must be filed with the Secretary of the Board at the address listed below no later than July 11, 2016. A party must file a timely written objection or other response in order to participate as a party at the Board hearing. Failure to participate can result in a default judgment.

Natural persons may appear and represent themselves before the Board. All other representation of parties before the Board will be by attorneys licensed to practice law in the State of Utah, or attorneys licensed to practice law in another jurisdiction which meet the rules of the Utah State Bar for practicing law before the Utah Courts.

Persons interested in this matter may participate pursuant to the procedural rules of the Board. The Notice of Agency Action, and any subsequent pleadings, may be inspected at the office of the undersigned, and inspected online at the Utah Board of Oil, Gas and Mining's website at <http://ogm.utah.gov/amr/boardtemp/redesign/books.html>.

Pursuant to the Americans with Disabilities Act, persons requiring auxiliary communicative aids and services to enable them to participate in this hearing should call Julie Ann Carter at (801) 538-5277, at least three working days prior to the hearing date.

DATED this 28th day of June, 2016.

STATE OF UTAH
BOARD OF OIL, GAS AND MINING
Ruland J. Gill, Jr., Chairman


/s/ Julie Ann Carter
Board Secretary
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84116
(801) 538-5277

CERTIFICATE OF PUBLISHED NOTICE

I hereby certify that I caused a true and correct copy of the foregoing NOTICE OF HEARING for Docket No. 2016-016 Cause No. 222-17 to be PUBLISHED in the following newspapers on the following days:

July 3, 2016:

The Salt Lake Tribune and Deseret Morning News, newspapers of general circulation in Salt Lake City and County.

July 5, 2016:

Sun Advocate, a newspaper of general circulation in Carbon County.

A handwritten signature in blue ink, appearing to read "Julie Ann Carter", is written over a horizontal line.

CERTIFICATE OF SERVICE

I hereby certify that on this 28th day of June, 2016, I caused a true and correct copy of the foregoing **NOTICE OF HEARING** for Docket No. 2016-016 Cause No. 222-17, to be mailed by Email or via First Class Mail with postage prepaid, to the following:

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A handwritten signature in blue ink, reading "Julie Ann Carter", written over a horizontal line.